Verizon Communications
1300 I Street NW, Suite 400W
Washington, DC 20005

April 15, 2002

Ex Parte

William Caton
Acting Secretary
Federal Communications Commission
445 12th St., S.W. – Portals
Washington, DC 20554

RE: Application by Verizon-New Jersey Inc. for Authorization To Provide In-Region, InterLATA Services in State of New Jersey, Docket No. 02-67 - ***REDACTED***

Dear Mr. Caton:

On April 12, 2002, Raymond Wierzbicki, Kathleen McLean, Claire Beth Nogay, Jonathan Smith, Beth Abesamis, Marilyn DeVito, Karen Zacharia, Leslie Owsley, Scott Angstreich, and Clint Odom, all representing Verizon, met with Jeffery Carlisle, Michelle Carey, Brent Olson, Alex Johns, J eremy Miller, Ben Childers, Gail Cohen, Raelynn Tibayan Remy and Sheryl Herauf of the FCC and representatives from Metropolitan Telecommunications Corp. ("MetTel") at the staff's request to discuss certain topics identified by staff. The topics and the substance of the information provided by Verizon are set out below.

It is clear that Verizon is providing nondiscriminatory access to its OSS to CLECs in general and to MetTel in particular. As discussed in the meeting, and as set forth below, Verizon's OSS performance, as reported in the Carrier-to-Carrier measures, is excellent. MetTel's claims arise because MetTel does not understand the performance measures or because MetTel wants different performance measures. But this proceeding is not the appropriate forum such arguments.

Timeliness of Confirmation and Reject Notices

Verizon measures the timeliness of the confirmation and reject notices that it sends to CLECs in accordance with certain Carrier-to-Carrier measures that have been defined in collaborative discussions with CLECs and approved by the New Jersey Board of Public Utilities ("BPU"). The confirmation measures are designated as OR-1-02-2320, OR-1-04-2320, and OR-1-06-2320 (for resale), and OR-1-02-3140, OR-1-04-3140, and OR-1-06-3140 (for UNE platform). The reject measures are designated as OR-2-02-2320, OR-2-04-2320, and OR-2-06-2320 (for resale), and OR-2-02-3140, OR-2-04-3140, and OR-2-06-3140 (for UNE platform). These measures, which are calculated on a monthly basis, have descriptions and stated exclusions which provide a specific methodology for calculating Verizon's performance.

As part of its commitment to customer service, Verizon focuses extensively on these and other Carrier-to-Carrier performance measures. Twice each day the Vice President with responsibility for Verizon's National Market Centers ("NMCs") conducts a conference call with the NMC Directors to assess the type and volume of LSRs being received that day and how each center is performing on meeting the Carrier-to-Carrier standards. Once a week, Senior Managers (Senior Vice Presidents, Vice Presidents, Executive Directors, Directors) conduct a conference call to review performance on Carrier-to-Carrier measures for all states, to make sure performance is on track and to address any issues or problems that the performance results may suggest.

As Verizon demonstrated in its Supplemental Application, Verizon has consistently returned 95 percent of confirmation and reject notices for resale and UNE platform orders on time in November, December, January, and February, both for CLECs in the aggregate and for MetTel specifically. *See* McLean/Wierzbicki/Webster/Canny Supp. Decl., Att. 1. MetTel has argued that Verizon's reported results are inaccurate, claiming that Verizon failed to include certain of MetTel's orders in the measurement results, and that Verizon missed more individual sub-measurements than the few shown in the Carrier-to-Carrier reports. In addition, MetTel claimed that only 73.66 percent of its confirmation and reject notices were returned within the "weighted average" response time that, according to MetTel, represented its unique mix of orders. *See* Goldberg Decl., ¶ 6. MetTel is wrong, and its calculations do not follow the Carrier-to-Carrier Guidelines.

MetTel first claimed that Verizon had excluded 16 percent of MetTel's New Jersey orders (represented by Purchase Order Numbers, or "PONs") from the November and December performance results. These PONs were appropriately excluded under the Carrier-to-Carrier Guidelines. The list attached to MetTel's comments contained ******** PONs. Of those, ******** (90.6 percent) were up front rejects and should not be included in the performance results under the Carrier-to-Carrier Guidelines. (As a general matter, as MetTel's list shows, up front rejects are returned very quickly, and inclusion in the performance results in a reported measure would only improve those results; however, there is insufficient data on the LSRs to process and determine under which measure to include them.) The Guidelines state that "Edit Rejects – Orders failing 'Basic front-end edits' are not placed on PON Master File" which is used to calculated performance results. *See* New Jersey I Appendix J, Tab 17, pages 21, 30. Another ******** PONs (7.1 percent) were actually New York or Pennsylvania PONs and should not be included in New Jersey performance results. ******** of the PONs (1.7 percent) were either confirmed or rejected in a different month or on a different version and that PON/version would be included in the month's performance measurements when the confirmation or reject notifier was generated. The remaining ******** PONs had been submitted twice so the duplicate was rejected by the basic front-end edit process and also properly excluded.

MetTel's second claim was that Verizon's reported results in certain sub-measurements were incorrect. The detailed data provided by MetTel in Attachment 3 to the Goldberg Declaration show, for each PON, the total elapsed time between the time MetTel sent its order and the date/time stamp for the encryption of the returned confirmation or reject notice. (Verizon agreed

that use of the encryption date/time stamp was a reasonable measurement point.) The Carrier-to-Carrier Guidelines, however, do not count the elapsed time on a "run clock" basis in all instances. Instead, the Guidelines provide that, for flow through orders, the scheduled hours when the service order processor is off-line (and neither retail nor wholesale orders can be entered) are excluded. These are 11:30 p.m. to 1:30 a.m. each night and from 9:00 p.m. Saturday to 8:00 a.m. Sunday. For manually handled orders, the Guidelines exclude weekend and holiday hours, beginning at 6:00 p.m. Friday (or the last business day before a holiday) and ending at 8:00 a.m. Monday (or the first business day after a holiday). *See* New Jersey I Appendix J, Tab 17, pages 22, 30.

While MetTel claimed that it had applied these exclusions in its calculations, the results it included in its Comments and Declaration do not appear to have done so. For example, MetTel's Attachment 3 contains ******** PONs. Of those, ******** show raw elapsed times of 18 hours and 3 minutes or less. Dividing ******** by ******** produces a result of 73.66 percent which, as noted above and discussed below, is the result MetTel provides for the percent of PONs returned in less than the weighted average response time (which is incorrectly used as the "on time" standard). But it is clear that the raw elapsed times shown in MetTel's Attachment 3 include, rather than exclude, weekend and holiday hours. For example, PON CE17511052 version AE, which appears in MetTel's Attachment 3, shows an elapsed time of 40 hours, 46 minutes, and 30 seconds. The PON was received on Christmas Eve, December 24, 2001 at 3:55 p.m. The response was returned on December 26, 2001 at 8:41 a.m. If MetTel had, in fact, applied the exclusion for holiday hours specified in the Carrier-to-Carrier Guidelines (excluding the hours from 6:00 p.m. the last business day before the holiday until 8:00 a.m. the first business day after the holiday), the elapsed time should have been 2 hours and 46 minutes, which would have met the 24 hour standard.

Finally, MetTel used a "weighted average" response time for its "unique order mix" of 18 hours and 3 minutes, and determined that only 73.66 percent of its confirmation and reject notices were returned in less than the average, which MetTel called "on time." *See* Goldberg Decl. ¶ 6. MetTel's use of the weighted average to determine an "on time" standard is inappropriate. Verizon provided the weighted average response times for MetTel's orders in New Jersey and in Pennsylvania to demonstrate that the different mix of order types processed by MetTel in those two states caused the perceived difference in the average response times in the two states. *See* Letter from Clint E. Odom to William Caton, Acting Secretary, dated February 25, 2002, ¶¶ I.A.3 through I.A.5 ("February 25 Ex Parte"); McLean/Wierzbicki/Webster/Canny Supp. Decl., ¶ 11. It is not appropriate to use the weighted average response time as a standard for timeliness – by doing so, MetTel would count as not on time a confirmation returned in 21 hours, even if the Carrier-to-Carrier Guidelines established a 24-hour standard for that order type.

Timeliness of Completion Notifiers

Verizon provides timely and accurate provisioning completion notifiers ("PCNs") and billing completion notifiers ("BCNs") to CLECs in New Jersey. The Carrier-to-Carrier Guidelines include four key measures that describe completion notifier performance. These are OR 4-05

and OR 4-10 for PCNs and OR 4-02 and OR 4-09 for BCNs. These measures are reported separately for UNE and Resale. For both UNE and resale, the percent of PCNs that Verizon sent on time has been 99 to 100 percent. For November through February, the percent of BCNs sent on time has been above 98 for Resale, which is the predominant mode of entry in New Jersey, and has ranged from 91 percent to 98 percent for UNE.

These notifiers inform the CLEC when a work step for the order has been completed and recorded in Verizon's systems. Verizon understands the importance of timely delivery of notifiers to our customers and has been involved in many discussions with the carriers in various forums on the topic. For example, Verizon conducted a Notifier Workshop for CLECs in February to explain how notifiers are processed and the information transmitted on them. The presentation materials from this workshop are available on Verizon's web site at: http://128.11.40.241/east/wholesale/industry_conf_education/2002_workshop_presentations.htm .

Verizon's systems are designed to generate the notifiers automatically as a by-product of the completion of the underlying work process and the recording of that completion in Verizon's systems. While these processes and systems perform at a very high level, Verizon does not represent that the process works perfectly all of the time. For this reason, exception handling is built in to the operational procedures. When exceptions are detected, corrective actions are taken to complete the work step and update the relevant systems, which in turn generates the notifier. These actions are not dependent on CLEC submission of a trouble ticket.

The OR 4-09 measure captures several work steps and systems updates – it measures the elapsed time (in business days) from the recording of work (or provisioning) completion in the SOP to generation of the BCN, which reflects that the billing system has been updated. Verizon's objective is to generate 95 percent of BCNs within 3 days of the recording in SOP that work has been completed and the remainder within a bill period which, as a matter of industry practice, is a month.

As Verizon explained, this measure is a difficult one to meet. The measure was originally developed for New York, where the duration of the bill cycle processing (the amount of time an account is held each month while the bill is generated, processed, and verified) is generally two days, with some three-day cycles. In New Jersey, however, as in Pennsylvania, bill cycles are generally three days in duration, with some four-day cycles. For this reason, the Commission decided in the Pennsylvania 271 proceeding that it was reasonable to use a four-day benchmark for this measure. *See Pennsylvania 271 Order* ¶ 44. Nevertheless, as shown above, in the aggregate, Verizon's performance in New Jersey on this measure using a three-day benchmark has been very good over the last several months.

The duration of the bill cycle processing is significant for this measure because if the work completion date for a CLEC's order is the same date as its bill period, SOP will be unable to update the billing system until the bill cycle has run and the account is released. This extends the time captured in the OR-4-09 measure. For some order types – such as certain types of

migrations – two internal service orders are involved, one to disconnect the end user's Verizon account and one to establish the account as part of the CLEC's master account. Because the BCN is generated when the billing system has been updated for all of the internal service orders associated with the CLEC's LSR, the chance that the order completion date will coincide with a bill cycle hold increases. For example, if the order completion date for the disconnect order coincides with the end user's retail bill period, when that account is in a hold status, SOP will be unable to update the billing system, just as it would be unable to update the billing system if the order completion date for the order establishing the new account with the CLEC coincided with the CLEC's bill period. Similarly, for CLEC-to-CLEC migrations, two or more internal service orders are involved for each LSR, and the completion date could coincide with either CLEC's bill period date.

Post-completion discrepancies ("PCDs") can also affect this measure. These are situations where SOP cannot update the billing system because of a mis-match, or discrepancy, between the service order and the account record in the billing system. A simple example would be an order to add a feature to a line, but where the account record in the billing system shows that the feature already exists on the line. In these situations, as part of the exception process discussed above, the order is sent to a representative to investigate. Once the discrepancy is resolved, the billing system can be updated and the BCN generated. PCDs are more likely to occur with complex orders.[1]

Finally, the sequencing of orders that Verizon explained in its April 5 ex parte has had an effect on this measure in the past. While Verizon expects that the re-sequencing that was implemented for both retail and wholesale orders will improve the timeliness of generating BCNs for orders affected by the situation described there, other factors described above can also affect the measure, and re-sequencing by itself may not improve MetTel's individual performance on this measure.

As Verizon stated during the meeting, a field was added to the billing completion notifier in the February 2002 release to provide the work or provisioning completion date (this date is already provided on the provisioning completion notifier). MetTel claimed that the addition of this field was scheduled for the June 2002 release. MetTel appears to have been confused. As documented in the Industry Change Control Meeting materials provided to CLECs for December 11, 2001 and again in the materials for January 8, 2002, this initiative (#370723) was scheduled

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[1] During the meeting, it was apparent in a number of cases that MetTel calculated performance measures differently than Verizon did. With respect to measure OR-4-09, MetTel included approximately 3500 PONs associated with a "project" to migrate coin telephones from another CLEC to MetTel. As Verizon explained in the McLean/Wierzbicki/Webster/Canny Supplemental Declaration (¶ 18, n. 3) Verizon excluded these PONs from certain recalculated OR-4 performance measures. Nevertheless, Verizon also provided data with these PONs included. *See id.* ¶ 21, n. 4; Attachment 5.

for the February 2002 release.[2] (The initiative was implemented as scheduled.) The June release will add a field for the "Provisioning Posting Completion Date" to both the PCN and the BCN. This date (sometimes called the "SOP completion date") is the date when SOP is updated to reflect work completion.

Accuracy of Completion Notifiers

As noted above, the generation of completion notifiers (either PCNs or BCNs) is triggered by updates to the respective systems. As a result, Verizon fundamentally disagrees with MetTel's assumption that a notifier is "false" or "inaccurate" if a line does not generate usage within 3 business days of a migration. This is inconsistent with industry experience. Verizon has described numerous real-life scenarios under which lines do not generate usage. The most basic is that no outbound calls are made on the line. February 25 Ex Parte, ¶ II.B; McLean/Wierzbicki/Webster/Canny Supp. Decl., ¶¶ 26-32.

Nevertheless, Verizon has taken MetTel's concern seriously and has investigated nearly 1000 billing telephone numbers for which MetTel submitted trouble tickets claiming that usage was due, but no usage had been received. As described in the Supplemental Application, in 75 percent of these cases, Verizon either found usage[3] or MetTel agreed that no usage was due. In the remaining 251 cases, no usage was found nor was any problem detected by Verizon. In these cases, Verizon suggested that MetTel contact the customer to determine if in fact the line was being used to make outbound calls.

In the meantime, Verizon continued its own investigation. Verizon noted that ******** of these BTNs were for coin (pay phone) accounts recently acquired by MetTel and conducted additional investigation of its own on these numbers. Verizon found that ******** (72 percent) of these telephone numbers were in a seasonal suspend status, and therefore would not generate usage, and ******** (five percent) had been disconnected. Verizon selected a sample of 41 of the remaining ********, dispersed throughout the state, and went to the locations to verify the existence of a working phone on the line. Verizon found that

- 28 of the locations had no phone
- 7 had phones, but the phone was not working (for example, the receiver was missing)
- 5 had phones that were not MetTel's
- 1 was a MetTel phone, but had a different telephone number than the one submitted by MetTel on the trouble ticket.

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2 Industry Change Control Meeting materials are available on the Verizon Wholesale Services web site at http://128.11.40.241/east/wholesale/html/cd_ind_meetings.htm

3 As part of its investigation, Verizon did not determine when usage first occurred on the telephone number in question; merely that usage existed and had been sent to MetTel on the Daily Usage File ("DUF").

In sum, the investigation demonstrated that there are valid circumstances under which a line may not generate usage within three days after a migration.

MetTel also claimed that it had received usage on 88 lines for which it had submitted an order suspending the line for non-payment ("SNP"), had received a BCN, and had not submitted an order restoring the line to service or the usage occurred prior to the restoral order. *See* MetTel Comments, Attachment 7. Prior to the meeting, Verizon investigated 23 instances listed in MetTel's attachment, which are noted below. Verizon has since investigated all instances specified in MetTel's Attachment 7. Verizon found on 73 of the lines that MetTel had in fact submitted a subsequent order to restore the line and that the restoral order preceded the date of "first usage" cited by MetTel. One line showed a new connect order that was subsequent to the disconnect and prior to the "first usage" date. Three lines were complex Centrex lines where MetTel apparently had attempted to suspend the lines by using a blocking scenario that is not designed for service suspension. Another 11 lines were involved in win-backs by Verizon. Because a suspended line cannot be migrated, Verizon restored the lines in preparation for migrating them back to Verizon. These restorals are generally due on the same day or one day prior to the win-back disconnect order for the CLEC.

Verizon's research indicated that in every case, the date of the restoral was before the "first usage" date provided by MetTel. The Met Tel restoral PONs and actual completion dates of these PONs are included in Attachment 1 to this letter. It appears that Met Tel's data collection process does not accurately reflect the actual date of many of its restorals – MetTel appears to be using the BCN receipt date as the date that usage should begin accruing instead of the work completion date indicated in the PCN. As Verizon explained, usage begins to accrue on the work completion date, but is not released to the carrier until bill completion.

Furthermore, for 23 of the orders listed in MetTel's Attachment 7, MetTel claims that it did not issue restoral orders. MetTel's own data, however (Attachment 8), shows associated restoral orders for some of these lines. For example, in Attachment 8 MetTel lists restoral Order ID's **** ****. All of these PONs were issued to restore service for lines that MetTel claims they did not issue a restoral on. *See* MetTel Attachment 7.

The provisioning of PIC requests was also discussed. MetTel claimed that on some PIC change orders, the first call after the completion date specified in the PCN was shown as being routed to a carrier other than the newly selected carrier shown on the BCN. Verizon's reiterated the methodology and results of the investigation into this area of concern that it performed in November 2001 looking at October migrations and again in February 2002 analyzing January migrations from Verizon retail to MetTel. The February analysis showed that of these January migrations, 12.4% did not request MetTel's usual pre-subscribed carrier. In addition, 76.8% of Category 11 records associated with the migrated telephone numbers properly carried a CIC code other than the pre-subscribed carrier designated by MetTel. *See* February 25 Ex Parte, ¶ II.C; McLean/Wierzbicki/Webster/Canny Supp. Decl. ¶¶ 33-34. These included toll-free calls, casually dialed calls and terminating usage. MetTel indicated that they had incorporated these

conditions into their quality assurance processing logic. However, Verizon's investigation demonstrated no systemic issue.

MetTel raised an issue concerning an Industry Letter that was mailed to the CLECs indicating that Verizon intended to bill CLECs for Daily Usage File (DUF) charges for UNE Access Records that had been provided to the CLECs but had not been billed in the states of NY, CT, MA, ME, NH, RI and VT. This issue does not relate to the timeliness of including these records on the DUF provided to CLECs, only to the fact that while these records had been provided, Verizon had not billed the CLECs for them. A copy of the Industry Letter is Attachment 2 to this letter.

Notifier Trouble Tickets

In early 2000, Verizon established a process in New York by which a CLEC can submit a trouble ticket for notifiers that it considers late or missing. The process was developed in New York and extended to the entire former Bell Atlantic footprint. At the time the process was developed, CLECs were not always receiving an electronic acknowledgement that Verizon had received their orders. Without the acknowledgement, a CLEC did not know if its orders had been "lost." To address this, the process was designed to inform a CLEC that its order had been received and also to indicate the processing step to which it had progressed. If the order had generated the notifier the CLEC was seeking, or one later in the process, the latest notifier is "re-flowed" to the CLEC. The progression of notifiers is: 1) acknowledgement that the order has been received or negative acknowledgement, which means the transmission was flawed and could not be processed by the EDI translator ("ACK/NACK"); 2) confirmation or reject notice; 3) provisioning completion notice or jeopardy; and 4) billing completion notice.

As we have explained, if the PON has not reached the work step to generate the notifier the CLEC is seeking, Verizon provides the status of the order, and investigates whether a corrective action is required. If Verizon must take the corrective action, it does so and ensures generation of the notifier. This process may involve investigation, communication, work step completion and system update across different work groups, processes and systems within Verizon and therefore can be time and resource-intensive. If the CLEC must take the corrective action, Verizon informs the CLEC. *See* McLean/Wierzbicki/Webster Decl. ¶¶ 158-159; McLean/Wierzbicki/Webster Reply Decl. ¶ 60; McLean/Wierzbicki/Webster/Canny Supp. Decl. ¶¶ 38-39.

This process has evolved and improved over time. The original objective was to find the PON within Verizon, and either reflow the notifier or provide a status within 3 business days. At that point, the PON was considered "cleared." The time to take any subsequent corrective action in the case when the notifier did not yet exist was not tracked.

Verizon has refined the tools and procedures to investigate and resolve each PON on a trouble ticket, and Verizon now tracks the time it takes to investigate the PON further when the notifier does not yet exist, and to take corrective action or notify the CLEC that the CLEC must do so.

At that point, the PON is considered "resolved." On average, it takes Verizon less than 4 business days from receipt of the PON on a trouble ticket to resolution of the PON. And the time to resolve 95 percent of PONs has improved from 15 days in August 2001 to an average of three days for the months of December, January, and February. In sum, the incidence of notifiers reported on Trouble Tickets in New Jersey is very low, but when they are reported Verizon resolves them in a timely manner.

Flat Files

Each month, Verizon produces a Carrier-to-Carrier ("C2C") report containing its performance results in New Jersey for all CLECs, in the aggregate, and for the various retail comparison groups. In addition, Verizon will also produce and provide, on a going-forward basis, CLEC-specific C2C reports and "flat files" to those CLECs that request one or both of them. These "flat files" contain the purchase-order-number-level detail that Verizon uses to calculate the performance measurements, thus enabling CLECs to replicate the performance data if they so chose. Verizon's policy is not to produce these reports for past data months, given the burdens involved in retrieving and processing the retail and CLEC-specific data.

In New Jersey, Verizon currently provides more than 60 CLEC-specific C2C reports each month to more than 15 CLECs (some CLECs have multiple CLEC identifiers). On February 22, 2002, MetTel, through its account manager, requested its CLEC-specific reports in New Jersey, retroactive to November. MetTel did not, at that time, request its CLEC-specific flat files in New Jersey. Verizon informed MetTel that it does not provide retroactive reports and that, given the late date of its request (January data month reports were due only three days later), it would receive its first CLEC-specific C2C report (for the February 2002 data month) on March 25, 2002. MetTel received this report, via e-mail, on March 25, 2002. MetTel also received this report, on CD-ROM, on April 4, 2002, pursuant to its request for "soft copies" of all MetTel-specific data included in Verizon's Supplemental Filing.

In New Jersey, very few CLECs have requested to receive their CLEC-specific flat files and, through the February 2002 data month, Verizon was providing such files to only two CLECs. On March 22, 2002, MetTel, through its account manager, requested its CLEC-specific flat files in New Jersey, again retroactive to November. Verizon again informed MetTel that it does not provide retroactive reports and that, given the late date of its request (February data month reports were due only three days later), it would receive its first CLEC-specific flat file (for the March 2002 data month) on April 25, 2002. Verizon has subsequently informed MetTel that, despite its normal procedures, it would also provide MetTel with its flat files for the November 2001 through February 2002 data months at approximately the same time that MetTel receives the flat files for the March 2002 data month.

Although MetTel claims to have placed requests for its CLEC-specific C2C reports and flat files "last fall," Verizon's Wholesale Metrics Reporting Team has no record of any request made by MetTel in New Jersey for its CLEC-specific C2C reports prior to February 22, 2002, or for its flat files prior to March 22, 2002. MetTel has provided no evidence of having made such

requests prior to those two dates. In contrast, MetTel has been receiving its CLEC-specific C2C reports and flat files in New York, pursuant to its request in that state, since May 2000. MetTel has been receiving its CLEC-specific C2C reports in Pennsylvania and Connecticut since October 2000 and May 2001, respectively.

The attachments contain proprietary information and have been redacted. A confidential version with the attachments is being filed as well. The twenty-page limit does not apply as set forth in DA 02-718. If you have any questions, please do not hesitate to call me.

Sincerely,

Clint E. Odom/AD

Clint E. Odom

Attachments

cc: A. Johns
B. Olson
J. Miller
S. Pie
J. Carlisle
S. Herauf
G. Cohen
B. Childers
M. Carey
R. Remy

ATTACHMENT 1

ATTACHMENT 2

March 7, 2002

«MR_MS» «FIRST» «LAST_NAME»
«TITLE»
«IC_COMPANY»
«ADDRESS»
«CITY», «STATE» «ZIP»

Dear «MR_MS» «LAST_NAME»:

This letter is to inform you that in the states of NY, CT, MA, RI, NH, VT and ME, Verizon has determined that UNE (Unbundled Network Elements) access records from the Daily Usage File (DUF) which you have been receiving have not been included in DUF record counts for which you are billed. Instead only end user billable DUF have been reflected in the DUF record counts. However, all DUF records should be included in such counts and billed. The cause of the error was failure to include record counts from 20-24-09/10 type UNE access packs. This only affects purchasers of UNEs who opt to receive the Daily Usage Files.

UNE access DUF records will be included in the DUF record counts for the March 2002 billing cycle and will be reflected on your April UNE bill. You should see an increase in the number of records billed under the line UNB CHG FOR DAILY USAGE RECORD on the "Y40" UNE bills.

In addition, the January through March 2002 DUF access record counts will be calculated, and backbilling of those charges will be reflected in June bills. You will be given notice if backbilling for earlier periods occur at a later date.

If you have any questions, please contact the Billing and Collections Operations Center or your Verizon account manager.

Sincerely,